

February 21, 2023

S.2016 (Krueger)/ A.4592 (Fahy)

Title: Enacts the "NY Home Energy Affordable Transition Act" which will align utility regulation with state climate justice and emission reduction targets.

Statement in support: Total household electrification is our future, not only to meet our greenhouse gas emissions reduction goals, but to achieve a standard of living that is healthier, more cost effective and efficient. Renewable energy driven technology will soon heat and cool all our homes, dry our clothes, cook our food, charge our vehicles and power our lives. But while our climate laws are binding, our public service laws have lagged behind - in many cases subsidizing and prioritizing the continued use of the same fossil fuels we must eventually phase off. Currently, gas companies are spending billions of dollars to build out gas infrastructure in New York and utilities are working to get more new homes hooked up to fossil fuels before the anticipated climate regulations in 2024 mandate all electric heat pumps and appliances.. The Public Service Commission does not have the legal authority to fully stop this surge and utilities still maintain a legal "obligation to serve" any customer demanding gas service. S.2016/ A.4592 will authorize the Public Service Commission to align a planned phase out of natural gas and home heating oil with anticipated new codes and regulations to facilitate an equitable and affordable transition to all-electric, renewable energy powered buildings.

Specifically, the Act will:

- Ensure that the Public Service Law will provide for the timely and strategic retirement of the gas distribution system in a just and affordable manner as required to meet the climate justice and emission reduction mandates of the CLCPA.
- Ensure that the Public Service Commission has the statutory authority and direction to align utility regulations and planning with the CLCPA, and require the PSC to take a proactive role in the timely identification and amendment of any laws, regulations, or rulings that may impede achievement of CLCPA mandates.
- End ratepayer-subsidized utility incentives for fossil fuel expansion (the so-called "100 foot rule") while ensuring the equitable provision of electric service and efficient heating, cooling, cooking, and hot water services.
- Require the PSC, within one year, to develop a statewide gas service transition plan based on clear biannual gas sales reduction targets, robust analysis, and consideration of several electrification pathways.
- Ensure affordable access to electric heating and cooling services and protect

low-and-moderate income customers from undue burdens as they electrify their buildings.

- Clarify that municipal gas bans are not preempted under New York State law.

Building an emissions free, renewable energy driven society is going to be a difficult enough task without allowing the fossil fuel industry to keep their thumbs on the scale. The "NY Home Energy Affordable Transition Act", will create a level playing field where renewable heat, and other electrified technologies can thrive. These climate friendly alternatives to heating, cooling, cooking, and drying will not only help us meet our greenhouse gas reduction goals, but achieve a standard of living that is healthier, more cost effective and efficient.

Sierra Club urges your support for these critical reforms in the building sector necessary to combat climate change.